

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE DISTRICT OF SOUTH CAROLINA
SPARTANBURG DIVISION

Blockquarry Corp. f/k/a ISW Holdings, Inc.,

Plaintiff,

v.

Litchain Corp. and Gaffney Board of Public Works,

Defendants.

Gaffney Board of Public Works,

Counter-/Cross-Claimant,

v.

Blockquarry Corp. f/k/a ISW Holdings, Inc., Counterclaim Defendant, and Litchain Corp., Crossclaim Defendant.

C/A No.: 7:23-cv-01427-TMC

**JOINT MOTION TO STAY
PROCEEDINGS PENDING
SETTLEMENT DISCUSSIONS**

Plaintiff Blockquarry Corp. f/k/a ISW Holdings, Inc. (“Plaintiff”) and Defendant Gaffney Board of Public Works (the “Utility”) (collectively, “Movants”) hereby jointly and respectfully move the Court to stay 1) consideration of a) Plaintiff’s motion for injunctive relief (ECF No. 7); b) the Utility’s motion to deposit (ECF No. 42); and c) Plaintiff’s motion for partial default judgment in this case (ECF No. 63), and 2) the time within which Plaintiff must file its reply in support of its motion for partial default judgment for 30 days in order for the Movants to participate in and effectuate settlement discussions. In support of this motion, the Movants show the following:

1. On April 7, 2023, Plaintiff filed this action seeking declaratory and injunctive relief against the Utility and Defendant Litchain Corp. ("Litchain"), in addition to compensatory relief against Litchain, arising from Plaintiff's cryptocurrency mining business conducted at 150 Hyatt Street, Gaffney, South Carolina (the "Premises"). (*See* ECF No. 1).

2. On April 10, 2023, Plaintiff filed an Emergency Motion for Temporary Restraining Order and Preliminary Injunction against Litchain and/or the Utility seeking, *inter alia*, immediate return of the Deposit and the Cryptocurrency Mining Equipment. 6. (ECF No. 7). On April 12, 2023, the Court denied in part without prejudice Plaintiff's motion, leaving pending Plaintiff's request for preliminary injunctive relief. (ECF No. 9).

3. On May 1, 2023, the Utility answered Plaintiff's Complaint and brought cross- and counterclaims for, *inter alia*, interpleader (and, in the alternative, in the nature of interpleader) for placement of a portion of the deposit made with Utility relating to electric service to the Premises (\$440,178.19) and the personal property on the Premises in the Court's custody. (ECF No. 15, *see also* ECF No. 23 (amending the Utility's Answer and Cross- and Counterclaims)).

4. On July 10, 2023, the Utility filed its Motion for Leave to Deposit the above-mentioned monies and property with the Court. (ECF No. 42).

5. On September 27, 2023, Plaintiff filed a Motion for Partial Default Judgment seeking declaratory judgment on a number of its claims against Litchain. (ECF No. 63).

6. On October 11, 2023, the Utility responded in partial opposition to Plaintiff's Motion for Partial Default Judgment, asserting that although it consented to the majority of the relief sought by said motion, it contested Plaintiff's right to a declaration that Plaintiff is the rightful owner of the \$440,178.19 portion of the deposit that the Utility seeks to place with the Court. (ECF No. 68)

7. The Movants have engaged in substantial settlement discussions and respectfully request that the Court stay 1) its consideration of a) Plaintiff's motion for injunctive relief (ECF No. 7); b) the Utility's motion to deposit (ECF No. 42); and c) Plaintiff's motion for partial default judgment in this case (ECF No. 63), and 2) the time within which Plaintiff must file its reply in support of its motion for partial default judgment for 30 days in order for the Movants to participate in and effectuate settlement discussions. This relief will, if the settlement is effectuated, allow the Movants to resolve a number of disputes between them implicated by the aforementioned motions, mooting the need for the Court's resolution of such.

CONCLUSION

For the reasons aforesaid, Plaintiff and the Utility respectfully request entry of an order staying 1) the Court's consideration of a) Plaintiff's motion for injunctive relief (ECF No. 7); b) the Utility's motion to deposit (ECF No. 42); and c) Plaintiff's motion for partial default judgment in this case (ECF No. 63), and 2) the time within which Plaintiff must file its reply in support of its motion for partial default judgment for 30 days in order for the Plaintiff and the Utility to participate in and effectuate settlement discussions.

Respectfully submitted,

October 17, 2023

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October 17, 2023

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